

Washington, DC – Rep. Peter DeFazio (D-OR) introduced legislation that will bring immediate relief to American families and small businesses being crushed by high gas prices. H.R. 2003, the Taxing Speculators Out of the Oil Market Act would target Wall Street speculators that are responsible for unnecessarily inflating the price of gas up to 80 cents a gallon. DeFazio's bill would immediately penalize speculative market manipulation, bringing relief at the pump right away.

"This Memorial Day weekend, families all across America are digging deep to pay \$60 for a fill up at the gas station. And \$12 of that \$60 will go to speculators on Wall Street," DeFazio said. "Today I introduced legislation that would bring immediate relief to Americans struggling to fill up their tanks. It's pretty simple, Congress and the Administration are either on the side of Wall Street speculators who are manipulating gas prices to get rich, or they stand with the American people and the American economy."

In the short-term, Congress can quickly reduce the price of oil by preventing excessive speculation in the oil markets. A decade ago, Congress passed the Enron loophole that allows Wall Street speculators to enter the energy futures markets. Today up to 70% of oil trading is done by Wall Street speculators who are allowed to bet on oil prices even though they are not oil users. All of this speculating by Wall Street bankers substantially drives up the price Americans pay at the pump.

H.R. 2003 will deter speculation by raising the cost to bet on oil markets. By charging a miniscule 0.01 percent tax on each transaction, excessive speculation would become too expensive and risky. Discouraging excessive oil speculation will lower gas prices up to 80 cents a gallon because it does not tax oil, just Wall Street speculators.

Today, the Populist Caucus unveiled a three part plan to immediately lower gas prices. DeFazio's legislation was part of that plan. In addition to H.R. 2003, DeFazio supports efforts to put additional pressure on speculators by releasing oil from the strategic petroleum reserve. He also supports efforts to end subsidies for big oil companies who are reaping the biggest profits in the history of the world.

